



May 31, 2012

Mrs. Jocelyn Boyd
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, South Carolina 29210

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SOUTH CAROLINA
PUBLIC SERVICE
COMMISSION

Dear Mrs. Boyd:

Progress Energy Carolinas' ("PEC") last general rate case was in 1988 in Docket No. 1988-11-E. The Commission's Order No. 88-864 issued in that proceeding required PEC to file quarterly earnings reports based on the Commission's findings in that proceeding containing:

- 1) System Rate of Return on Rate Base – Exhibit A1
- 2) South Carolina Rate of Return on Rate Base – Exhibit A2
- 3) Return on Common Equity (Allocated to South Carolina Retail) – Exhibit B
- 4) Earnings Per Share on Progress Energy Common Stock - \$1.83
- 5) Debt Coverage Ratio or Earnings to Fixed Charges – 3.56 times

In compliance with the ORS's request, PEC submits its quarterly earnings report for the 12 months ended March 31, 2012 on a per books and as adjusted basis using jurisdictional allocations based on 2010 data. Also included is a verification of the report by PEC's President and Chief Financial Officer.

Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions or concerns, please call me at 919-546-2559.

Sincerely,

M. Scott Foster
Manager – PEC Regulatory & Property Accounting
Progress Energy Service Company

c: John Flitter

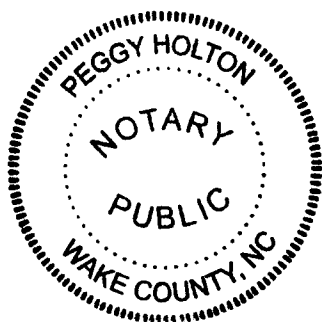
Enclosure

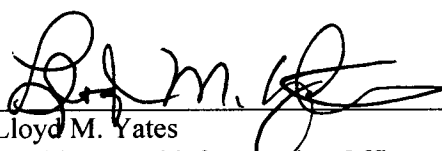
CERTIFICATION

(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

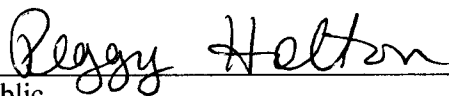
The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2012 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.




Lloyd M. Yates
President & Chief Executive Officer
Progress Energy Carolinas, Inc.

5/29/12
Date Signed

Subscribed and Sworn to before me this 29th day of May, 2012.


Notary Public
My Commission Expires: 12-22-2016

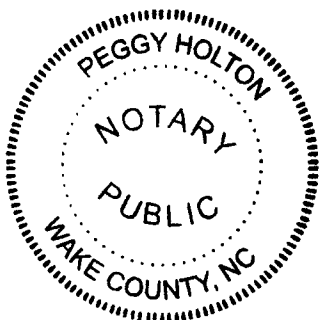
FILED
MAY 30 2012
SOUTH CAROLINA
CLERK OF COURT

CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Mark F. Mulhern, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

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Mark F. Mulhern

Mark F. Mulhern
Chief Financial Officer
Progress Energy, Inc.

5/29/12

Date Signed

Subscribed and Sworn to before me this *29th* day of *May*, 20*12*.

Peggy Holton

Notary Public

My Commission Expires: *12-22-2016*

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED MARCH 31, 2012

SYSTEM TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	4,481,259,811	-	4,481,259,811
OPERATING EXPENSE:			
NET O&M EXPENSES	2,952,253,179	47,126,147	2,999,379,326
DEPRECIATION	519,521,437	21,347,603	540,869,040
TAXES (OTHER THAN INCOME)	211,194,945	1,529,439	212,724,384
INCOME TAX - STATE	34,360,629	(21,642,235)	12,718,394
INCOME TAX - FEDERAL	(50,301,514)	(37,966,446)	(88,267,960)
PROV. FOR DEFERRED TAXES	258,778,237	40,933,381	299,711,618
INVESTMENT TAX CREDIT	(5,731,056)	-	(5,731,056)
TOTAL OPERATING EXPENSE	3,920,075,857	51,327,889	3,971,403,746
INCOME FOR RETURN:			
OPERATING INCOME	561,183,954	(51,327,889)	509,856,065
CUSTOMER GROWTH	1,410,053	(128,968)	1,281,085
INTEREST ON CUST. DEPOSITS	(7,271,034)	-	(7,271,034)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	555,322,973	(51,456,857)	503,866,116
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	18,098,491,581	212,529,475	18,311,021,056
PLANT HELD FOR FUTURE USE	18,442,126	-	18,442,126
RESERVE FOR DEPRECIATION	(9,175,541,531)	(21,347,603)	(9,196,889,134)
NET PLANT IN SERVICE	8,941,392,176	191,181,873	9,132,574,049
NUCLEAR FUEL INVENTORY	518,816,773	-	518,816,773
DEFERRED TAXES - LIB. DEPR.	(1,954,021,142)	145,884,286	(1,808,136,856)
REGULATORY ASSETS	961,813,004	(145,884,286)	815,928,718
WORKING CAPITAL:			
MATERIALS & SUPPLIES	791,108,881	(57,391,221)	733,717,660
CASH WORKING CAPITAL	415,165,546	-	415,165,546
UNCLAIMED REFUNDS	169	-	169
PREPAYMENTS	24,982,343	-	24,982,343
TAX ACCRUALS	(33,172,231)	-	(33,172,231)
CUSTOMER DEPOSITS	(119,592,195)	-	(119,592,195)
OPERATING RESERVES	(693,736,887)	-	(693,736,887)
CUSTOMER ADVANCES FOR CONSTR.	(16,029,795)	-	(16,029,795)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	368,725,831	(57,391,221)	311,334,610
TOTAL RATE BASE	8,836,726,642	133,790,652	8,970,517,294
RATE OF RETURN (%)	6.28		5.62

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED MARCH 31, 2012

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	524,653,111	-	524,653,111
OPERATING EXPENSE:			
NET O&M EXPENSES	343,938,681	5,432,724	349,371,405
DEPRECIATION	63,964,781	2,354,142	66,318,923
TAXES (OTHER THAN INCOME)	16,223,151	153,200	16,376,351
INCOME TAX - STATE	2,023,837	(134,485)	1,889,352
INCOME TAX - FEDERAL	(473,225)	(4,496,652)	(4,969,877)
PROV. FOR DEFERRED TAXES	31,182,462	4,651,321	35,833,783
INVESTMENT TAX CREDIT	(634,135)	-	(634,135)
TOTAL OPERATING EXPENSE	456,225,552	7,960,250	464,185,801
INCOME FOR RETURN:			
OPERATING INCOME	68,427,559	(7,960,250)	60,467,310
CUSTOMER GROWTH	792	(92)	700
INTEREST ON CUST. DEPOSITS	(590,814)	-	(590,814)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	67,837,537	(7,960,342)	59,877,196
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	2,086,586,994	23,460,472	2,110,047,466
PLANT HELD FOR FUTURE USE	2,035,769	-	2,035,769
RESERVE FOR DEPRECIATION	(1,065,662,305)	(2,428,558)	(1,068,090,863)
NET PLANT IN SERVICE	1,022,960,458	21,031,914	1,043,992,372
NUCLEAR FUEL INVENTORY	58,723,785	-	58,723,785
DEFERRED TAXES - LIB. DEPR.	(243,906,613)	16,657,214	(227,249,399)
REGULATORY ASSETS	129,609,490	(16,103,716)	113,505,774
WORKING CAPITAL:			
MATERIALS & SUPPLIES	83,043,178	(6,495,992)	76,547,186
CASH WORKING CAPITAL	52,320,856	-	52,320,856
UNCLAIMED REFUNDS	689	-	689
PREPAYMENTS	2,862,182	-	2,862,182
TAX ACCRUALS	(3,800,481)	-	(3,800,481)
CUSTOMER DEPOSITS	(17,979,467)	-	(17,979,467)
OPERATING RESERVES	(78,990,599)	-	(78,990,599)
CUSTOMER ADVANCES FOR CONSTR.	(1,836,503)	-	(1,836,503)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	35,619,855	(6,495,992)	29,123,862
TOTAL RATE BASE	1,003,006,975	15,089,419	1,018,096,393
RATE OF RETURN (%)	6.76		5.88

PROGRESS ENERGY CAROLINAS
S.C. QUARTERLY REPORT
S.C. RETAIL - RETURN ON COMMON EQUITY
FOR THE TEST YEAR ENDED MARCH 31, 2012

"PER BOOKS"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	4,188,185,976	44.06%	441,924,873	4.75%	20,991,431
PREFERRED STOCK	59,333,982	0.62%	6,218,643	5.33%	331,454
COMMON EQUITY	5,259,239,202	55.32%	554,863,458	8.38%	46,514,652
TOTAL CAPITALIZATION	9,506,759,159	100.00%	1,003,006,975		67,837,537

"ADJUSTED"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	4,188,185,976	44.60%	454,070,991	4.75%	21,568,372
PREFERRED STOCK	59,333,982	0.63%	6,414,007	5.33%	341,867
COMMON EQUITY	5,142,917,095	54.77%	557,611,394	6.81%	37,966,957
TOTAL CAPITALIZATION	9,390,437,053	100.00%	1,018,096,393		59,877,196